

Appl. No. 09/781,310  
Amdt. Dated October 18, 2006  
Reply to Office Action of August 14, 2006

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#### **REMARKS**

Upon entry of the instant amendment, claim 67 and 88-92 and 94-96 are pending. Claims 68-87, 93 and 98-100 have been cancelled. Claims 101-103 have been withdrawn. Claims 104-112 have been added. Claims 67, 88-92 and 94-96 have been amended to more particularly point out the Applicant's invention. It is respectfully requested that the claims define patentable subject matter over the prior art of record. Accordingly, the Examiner is respectfully requested to provide favorable consideration of claim 67, 88-92, 94-96 and 104-112.

#### **CLAIM OBJECTIONS**

An objection has been made to claim 93. Claim 93 has been cancelled. Thus, this objection is obviated.

#### **CLAIM REJECTIONS-35 USC § 103**

Claims 67 and 88-100 have been rejected under 35 USC § 103 (a) as being unpatentable over Freeman et al US Patent No. 6, 249,775 ("the Freeman patent") in view of Levine et al US Patent No. 6,233,566 ("the Levine et al patent"). Claims 93 and 97-100 have been cancelled. Thus the rejection is obviated with respect to those claims. With respect to claims 67, 88-92 and 94-96, the Applicant agrees with the statements in Paragraph 4 of the Detailed Action that the Freeman et al patent does not disclose "decomposing ...vintage performance data by ... age factor and at least one exogenous factor.". It is respectfully submitted that the Levine et al patent also does not disclose a system for decomposing vintage loan performance data into an age related component and an component not related to the age of the loans, such as a calendar time based component, to forecast the performance of a vintage account. First, the Levine et al patent has nothing to do with a system for forecasting the performance of vintage loan accounts. Rather it relates to a system for valuation of a loan based upon current loan performance data. The loan valuation criteria is set forth in Table 2 in Column 9 of the Levine et al patent. As the Examiner will kindly note, the loan valuation criteria is based upon current loan data and is not related to the age of the loan or the performance of the loan. If anything, the Levine et al patent teaches away from the invention.

As such, it is respectfully submitted that the Examiner has failed to establish a prima

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facie case of obviousness as set forth in the MPEP § 2143. In particular, in order to establish a *prima facie* case of obviousness, three criteria must be met as set forth in accordance with MPEP § 2143.

"First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.

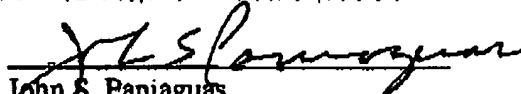
The teaching or suggestion to make the claimed combination reasonable expectation of success must both be found in the prior art, not in the Applicant's disclosure."

In this case, as discussed above, the references do not disclose all of the claim limitations. Additionally, it is respectfully submitted that the Examiner has also failed to show that there was a suggestion to combine to combine the reference teachings and that there is a reasonable expectation of success. For all of the above reasons, it is respectfully submitted that the Examiner has failed to set forth a *prima facie* case of obviousness. Accordingly, the Examiner is respectfully requested to reconsider and withdraw the rejection of Claims 67, 88-92 and 94-96 and to provide favorable consideration of claims 104-112.

Respectfully submitted,

KATTEN MUCHIN ROSENMAN LLP

By:

  
John S. Paniaguas  
Registration No. 31,051

KATTEN MUCHIN ROSENMAN LLP  
1025 Thomas Jefferson Street, N.W.  
East Lobby, Suite 700  
Washington, DC 20007-5201  
Telephone: (312) 902-5200  
Facsimile: (312) 902-1061

Page 7 of 7

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